<u>REMARKS</u>

The present invention is an electronic commerce system, a method for providing electronic commerce, a portable radio device and a method of operating an electronic commerce system. The invention pertains to electronic commerce wherein the combination of an issuer 10 of electronic tokens, customer 20 which obtains goods or services, vendor/merchant 30 which provides the goods or services and delegate 40 which can be delegated by the customer to obtain the goods or services, interact in accordance with the diagram of Fig. 1 with the delegation being performed by radio devices or terminals. With the invention, a selection is made between spending of electronic tokens by the customer with the vendor to obtain goods or services or the delegation of electronic tokens to a delegate so that the delegate can spend the tokens with the vendor. The transfer of tokens from a customer to a delegate is performed via portable radio communication device of the customer communicating with a radio communication device of the delegate. This facilitates the transfer of tokens to delegates, such as children, to provide controlled sending of tokens for only specified goods or services as approved by the customer. See paragraph [0009] of the Substitute Specification.

Claims 16, 23 and 29-34 stand objected to. Claims 15-23 and claims 29-34 have been amended to improve their form for reexamination. It is submitted that the informalities that the Examiner has noted have been overcome. The relationship between a spent token, as recited in claim 14, and pretokens, as recited in claims 15-23, has been clarified. Specifically, a spent token is illustrated in Fig. 1 by

the arrow labelled "spends tokens" whereas the definition of a pretoken as recited in claims 15 et seq. has been clarified and is different than a spent token.

Claims 29-34 stand objected to as failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. The Examiner reasons that claims 29-34 omit essential elements of steps or structure relationships. This ground of rejection is traversed in view of claims 29-34 covering the electronic token, recited in previous claims which are further limited "as included at least one parameter specifying a use thereof". Moreover, it is submitted that there is no omission of essential steps since the recited electronic token is limited beyond the subject matter of the claim from which it depends.

Claims 13-34 stand rejected under 35 U.S.C. §102 as being anticipated by United States Patent 6,748,367 (Lee). These grounds of rejection are traversed for the following reasons.

Each of independent claims 13 and 24-28 and newly submitted claim 35 substantively recite a device and another device including the portable radio device as recited in claims 13 and 24, a device as recited in claim 25, a first terminal as recited in claim 26, a portable radio device as recited in claim 27, a terminal device as recited in claim 28, and a first user terminal device as recited in claim 35 which are involved with delegation of tokens usable by a radio communication device of the delegate as recited in claim 13, a portable radio communication device of the delegate as recited in claim 24, a device of the delegate as recited in claim 25, a second terminal device associated with a second user as recited in claim 26, a terminal device associated with a second user as recited in claim 27, delegating the activated electronic tokens to another device as recited in claim 28, and transfer of

activatable electronic tokens to the second user terminal device as recited in claim 35. The Examiner's reliance upon United States Patent 6,748,367 is erroneous since the Applicant has submitted a priority document on December 21, 2000 which contains the same subject matter of the present application which has a December 22, 1999 filing date which predates the September 21, 2000 102(e) date of Lee et al.

Provisional Application 60/155,858 upon which Lee et al is based, does not disclose the transfer of tokens between a first device and a second device as disclosed by Lee et al in column 8, line 52, and further, column 16, lines 20 and 21, as relied upon by the Examiner. Accordingly, without a teaching of transferring of electronic coupons in the Provisional Application of Lee et al between first and second devices for purchasing goods or services from a vendor, the rejection of claims as being anticipated is erroneous and must be withdrawn.

It is noted that the brief Abstract of the invention which is contained in the Provisional Application 60/155,858 refers to the transfer of funds on the Internet. However, such a transfer does not suggest the claimed operation where electronic coupons are transferred between first and second devices as set forth in the claims to obtain the purchase of goods or services from a vendor. In this regard, the Examiner is referred to the page of the Provisional Application immediately following the Abstract which merely refers to the consumer with <u>no</u> indication of any transfer between "e-CASH" to another party as set forth in the claims of the Lee et al '367 Patent for the purchase of goods or services from the vendor. Accordingly, it is submitted that the subject matter of the claims is not anticipated.

In view of the foregoing amendments and remarks, it is submitted that each of the claims in the application is in condition for allowance. Accordingly, early allowance thereof is respectfully requested.

To the extent necessary, Applicants petition for an extension of time under 37 C.F.R. §1.136. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account No. 01-2135 (367.39359X00) and please credit any excess fees to such Deposit Account.

Respectfully submitted,

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Attachments

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